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DEPARTMENT FOR EUR/NCE MICHELLE LABONTE

E.O. 12958: DECL: 03/20/2016 TAGS: <u>KDEM PGOV PREL SOCI HU</u>

SUBJECT: HUNGARY'S ELECTIONS: MSZP MAY GAIN GROUND IN

VESZPREM (C-RE6-00145)

REF: STATE 22644

Classified By: DCM Philip Reeker. Reasons 1.4 (b) and (d).

Summary

11. (C) On March 14, SZDSZ and FIDESZ contacts in Veszprem County agreed that FIDESZ is losing its tight grip locally. Whereas in 2002, they enjoyed victories in six of the seven individual constituencies, their MSZP (Socialist) rivals may win as many as three this April, according to Veszprem's SZDSZ mayor. However, Orban's selection of Istvan Mikola as his running mate may bring out more of his party's core voters, many of whom were expected to stay home following party missteps -- and the bad press that accompanied them. The fact that FIDESZ may be slipping from its stronghold in Veszprem suggests a tighter, more aggressive race nationwide.

Background

12. (U) Voter turnout in Veszprem County matched the national average in 2002, when 73 percent of its 293,000 registered voters cast ballots. This medium-sized county in Hungary's northeast has five party-list constituencies and seven individual constituencies spanning Veszprem (two constituencies), Ajka, Balatonfured, Papa, Tapolca, and FIDESZ dominated 2002 voting in Veszprem County, receiving 48 percent of the popular vote against the MSZP,s 37 percent, winning four individual constituencies in the first round. In the end, FIDESZ took six of the seven individual constituencies, leaving one to MSZP's Bela Pal, currently Political State Secretary for Tourism in the Prime Minister's Office. In the current race, Pal faces Tibor Navracsic, FIDESZ President Viktor Orban,s chief of cabinet. Of the five party-list constituencies, FIDESZ won three in 2002, and MSZP took two. The SZDSZ performed slightly above the minimum five-percent threshold required to enter Parliament, and the far-right Truth and Life Party (MIEP) gathered just over three percent.

Possible Transition in Veszprem

13. (SBU) On March 14, SZDSZ Mayor Laszlo Diossy predicted to Emboffs that the MSZP will gain two additional seats in Veszprem County in this election, giving the party three out of the seven individual constituencies. Diossy cited FIDESZ miscues as key reasons for his optimism. The mayor added that MSZP's overall campaign is "improving greatly" from its rocky start in January, and is having a positive effect in Veszprem. However, Gyula Porga, chief strategist for FIDESZ

candidate Tibor Navracsics, described Veszprem County as firmly behind FIDESZ -- although he conceded that his party's mistakes may keep some FIDESZ voters at home on election day.

- 14. (C) Diossy, one of only five mayors nationwide to have won every election since 1990, claimed that his endorsement will add as much as nine percent of the vote for coalition partner MSZP in the city of Veszprem. Diossy added that he was brokering a deal between candidates Andras Szalai (SZDSZ) and Bela Pal (MSZP) under which Szalai would withdraw in the second round, throwing SZDSZ support to Pal. In return, the MSZP will support the SZDSZ in the autumn mayoral race, in which Diossy is unsure whether he will compete.
- 15. (SBU) In Veszprem, FIDESZ will benefit from the nomination of Istvan Mikola for Orban's proposed Deputy Prime Minister post, according to Porga. The strategist added that Mikola is a well-known FIDESZ-slash-Christian Democrat who will "mobilize critical core voters" in the county, where the press reports of campaign misdoings are souring the FIDESZ faithful. Incumbent Tibor Navracsics needs "14,000 votes" to win his constituency, according to Porga, and the Mikola announcement will help attract voters. Porga expressed confidence that Navracsics's position as "Orban's top advisor," along with his "charismatic" style, will boost him to victory.

FIDESZ Strategist Talks About Blackmail

16. (C) Efforts to blackmail MDF candidates and other FIDESZ missteps to date are "completely unnecessary" and hurt the party,s chances of returning to power, said Gyula Porga.

BUDAPEST 00000573 002 OF 002

Recent media reports list one Veszprem County constituency as one of 27 areas where MDF candidates have been "pressured" by FIDESZ to withdraw from the elections. Though MDF still has a candidate in the race, Porga said there is no chance of MDF reaching the five-percent threshold, given that it "barely" collected the 750 tickets necessary to appear on the ballot. Attempting to make the best of a bad situation, Porga laughed off the incident, saying "FIDESZ has always made mistakes" but is still the "strongest" party in Hungary.

17. (C) Mayor Diossy also commented on FIDESZ's gaffe-plagued race, saying "poor campaigning" will keep the party,s supporters at home. The mayor stated that Gyurcsany recently drew "much bigger" crowds than Orban in Veszprem, where the prime minister "filled the entire sports arena, when Orban could not even fill a high school gym."

On the National Stage

18. (SBU) Mayor Diossy said that Economy and Transport Minister Koka (SZDSZ) is running a good campaign and will win, but faces a "tough race in the Budapest castle district." Mayor Diossy,s brother Gabor is Koka,s Political State Secretary and principal advisor. The MSZP will pull out of the Budapest castle district race "in a few days," according to the Veszprem mayor, leaving Koka to face FIDESZ incumbent Gabor Tamas Nagy in the historically conservative district. After the elections, the SZDSZ will turn "from ideology toward economics," bolstered by Koka,s "new blood," said Diossy. The mayor acknowledged being "in the room" when Koka was named number two on the SZDSZ party list. He identified Koka as "the future of SZDSZ."

Comment

remains true of the overall election. It is also significant because the region can no longer be considered a FIDESZ "lock." Unlike in past elections, FIDESZ now faces a stiff challenge in Veszprem, and the races there will almost surely not be decided in the first round. Even a FIDESZ campaign strategist in the county admitted that his party's mistakes in the campaign will likely cost it at the ballot box. What is unclear at this point is how dearly FIDESZ will pay, and whether MSZP will reap the benefits by picking up two additional constituencies.

110. (U) Visit U.S. Embassy Budapest's classified website: www.state.sgov.gov/p/eur/budapest/index.cfm.

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